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FISCAL IMPACT STATEMENT

LS 6541

BILL NUMBER: HB 1097

NOTE PREPARED: May 1, 2009

BILL AMENDED: Apr 29, 2009

SUBJECT: Various Environmental Matters.

FIRST AUTHOR: Rep. Barnes

FIRST SPONSOR: Sen. Gard

BILL STATUS: Enrolled

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Indoor Air Quality:* This bill requires the Indiana State Department of Health (ISDH) to adopt rules concerning indoor air quality in schools and state agencies.

The bill provides that after the ISDH inspects a school or state agency for indoor air quality as the result of a complaint, the ISDH must report certain information. It provides that such a complaint must be in writing and may be made by electronic mail. It also allows the ISDH to release the name of a complainant only if the complainant has authorized the release in writing.

The bill requires the ISDH to post minutes of each meeting of the air quality panel on the ISDH web site not later than 45 days after the meeting.

It provides that the ISDH (1) shall distribute a manual of best practices for managing indoor air quality at schools and allows ISDH to use a manual developed by other states and federal health and environmental agencies; and (2) review and revise the manual at least once every three years.

Outdoor Air Quality: The bill provides that, after June 30, 2009, if the ISDH amends the rules concerning health and safety requirements for school buildings and school sites after June 30, 2009, the ISDH must consider the effects of outdoor air quality when establishing criteria for school siting.

Campground Sewer Rates. Beginning September 1, 2009, if a campground in a conservancy district is billed for sewage service at a flat rate, the campground may instead elect to be billed for the sewage service by installing, at the campground's expense, a meter to measure the actual amount of sewage discharged by the campground into the district's sewers.

Sewage Works in Private Dwellings. This bill authorizes a board of sanitation commission or a board of public works to (1) provide financial assistance for the installation of certain sewage works in private dwellings; and (2) establish a user fee to pay for the financial assistance.

Effective Date: Upon passage; July 1, 2009.

Explanation of State Expenditures: *Indoor Air Quality:* The bill requires the ISDH to adopt rules concerning indoor air quality in schools and state agencies. Rule-making activities are administrative in nature, and the ISDH should be able to accomplish the required task within the existing level of resources available to the agency. Any potential fiscal impact would depend on the content of the rules promulgated.

Following an inspection of a school or state agency, the bill specifies that the ISDH is required to prepare a written report describing the inspection findings. The bill requires that the report contain certain specified information. The resources required to prepare a report would depend on the number of complaints received throughout any given year.

The bill requires the Air Quality Panel to meet twice annually. Minutes of the Air Quality Panel meetings are to be posted on the ISDH web site. The ISDH reported that the panel last met in August of 2004. The ISDH should be able to accomplish this requirement within the current level of resources available.

The ISDH is required to prepare a manual of best practices for managing indoor air quality at schools. The manual is to be provided electronically to the Department of Education and the Legislative Council. The ISDH is also required to distribute the manual to the superintendent and facilities manager of each school corporation. The ISDH has estimated a cost of \$1,600 to distribute two copies of the manual to approximately 350 school corporations (including charter schools). The cost to revise a manual developed by a federal agency or another state is estimated to be less than \$60,000.

Outdoor Air Quality: The bill requires the ISDH to consider the effects of outdoor air quality when establishing the criteria for school siting in any amendments to the nonbinding ISDH guidelines concerning school building construction and school building sites. Rule-making activities are administrative in nature, and the ISDH should be able to accomplish the required task within the existing level of resources available to the agency.

The funds and resources required could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions. The state could incur some additional expense in the adoption of standards concerning indoor and outdoor air quality and water quality as part of the nonbinding guidelines for school corporation construction and operation. The increase in cost would probably be minor.

Indoor Air Quality Background: The state of Washington developed and distributed the “School Indoor Air Best Management Practices Manual” in 1995. The Washington legislature allocated \$80,000 for the project which ultimately used \$60,000 to develop and distribute the resulting 100+ page document. The initial project used two committees for the development phase: a technical committee and a policy committee. A staff member reported that approximately 10 to 12 meetings of the committees were required to produce the

material. Teleconferencing was used often to keep travel expenses down. The manual was subsequently updated in 2003 and is on the Washington State website.

The ISDH administrative appropriations were made from the General Fund and the dedicated Tobacco Master Settlement Agreement Fund for FY 2008 and from the General Fund for FY 2009. The ISDH main administrative account reverted \$2.5 M in General Funds for FY 2008.

Explanation of State Revenues:

Explanation of Local Expenditures: *Sewage Works in Private Dwellings.* The board of sanitation commission or a board of public works is authorized to provide financial assistance for the installation of certain sewage works in private dwellings. The impact of this provision will depend on local action.

Outdoor Air Quality: The ISDH rules concerning school construction and school siting are considered to be nonbinding guidelines. Therefore, there probably would be no additional cost to local school corporations.

Explanation of Local Revenues: *Campground Sewer Rates.* Currently, a regional sewage district bases the number of resident equivalent units for monthly campgrounds' sewer bills on the one week of the year having the highest meter reading. The bill provides that if a campground installs a meter, the rate charged for usage may not exceed the rate charged to residential customers, and the amount charged between September 1st and May 31st must equal the greater of either the actual amount of sewage measured during that time or the lowest monthly charge paid between June 1st and August 31st. If a campground does not install a meter, the flat rate for usage may not equal more than one-third of one resident equivalent unit. The basic monthly charge for the campground's sewage service must be equal to the number of the campground's resident equivalent units multiplied by the rate charge for a resident unit. Either of these provisions could result in a decrease in monthly sewage charges received by a regional sewage district.

Sewage Works in Private Dwellings. The board of sanitation commission or a board of public works is authorized to establish a user fee to pay for the financial assistance given to provide certain sewage works in private dwellings. The amount of revenue that will be generated by this provision will depend on local action.

State Agencies Affected: State Board of Education; ISDH; Any state agency with an air quality complaint.

Local Agencies Affected: Regional sewer districts; Units responsible for water treatment plants and water distribution systems; Local school corporations.

Information Sources: ISDH, Tim Hardin, Tacoma County Health Department, 253-798-6466, and the *School Indoor Air Quality Best Practices Manual*, November 2003, Washington State Department of Health, Office of Environmental Health and Safety, Indoor Air Quality Program, at:
<http://www.doh.wa.gov/ehp/ts/iaq/schooliaqbmp.pdf>

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